TO: 7038729306

Appl. No. 09/540,557 Amdt. dated July 2, 2004

Reply to Office Action of March 16, 2004

Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

Claims 1-24 (cancelled)

Claim 25 (new): An apparatus for playing high definition content comprising:

- (a) a media player for receiving the high definition content from a media source, said high definition content contained in data packets and said data packets contained in sectors;
- (b) a content processor for processing said high definition content into transport packets, said content processor further includes a trick mode generator, wherein said trick mode generator can create a pause effect by iteratively inserting into the video elementary stream a sequence comprising:
 - (i) an intra-coded picture frame; and
 - (ii) a multitude of predictive frames;
- (c) a transport packet modulator for modulating said transport packets; and
- (d) a controller.

Claim 26 (new): An apparatus for playing high definition content comprising:

- (a) a media player for receiving the high definition content from a media source, said high definition content contained in data packets and said data packets contained in sectors;
- (b) a content processor for processing said high definition content into transport packets;
- (c) a transport packet modulator for modulating said transport packets;
- (d) a controller; and
- (e) an HD-TV comprising:
 - (i) a decrypter;
 - (ii) a demultiplexer;
 - (iii) a watermark buffer for receiving watermark data;
 - (iv) a video buffer for receiving video data; and
 - (v) a watermark inserter for inserting watermarks into the video data, determined by the video data and watermark data.

Claim 27 (new): A method for playing high definition content comprising:

- (a) receiving the high definition content from a media source, said high definition content contained in data packets and said data packets contained in sectors;
- (b) processing said high definition content into transport packets by;
 - (i) buffering received watermark data;
 - (ii) buffering received video data;
 - (iii) buffering received audio data;

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(iv) inserting watermarks into the video data, determined by the video data and watermark data; and

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- (v) generating transport packets;
- (c) modulating said transport packets; and
- (d) outputting the modulated transport packets.
- Claim 28 (new): The method according to claim 27, wherein said step inserting watermarks into the video data, determined by the video data and watermark data further comprises inserting a watermark into said video data by replacing a watermark marker in said video data with a watermark determined by information in a corresponding watermark data sector in said watermark data.
- Claim 29 (new): The method according to claim 27, wherein said step inserting watermarks into the video data, determined by the video data and watermark data further includes inserting watermarks into specific locations in said video data determined by frame offsets, and presentation time stamps in said watermark data.

Claim 30 (new): A method for playing high definition content comprising:

- (a) receiving the high definition content from a media source, said high definition content contained in data packets and said data packets contained in sectors;
- (b) processing said high definition content into transport packets by generating a pause effect by iteratively inserting into the video elementary stream a sequence comprising:
 - (i) an Intra-coded picture frame; and
 - (ii) a multitude of predictive frames:
- (c) modulating said transport packets; and
- (d) outputting the modulated transport packets.